

March 25, 2011

To: Executive Board

Subject: **Travel and Reimbursement Policy**

---

### **Recommendation**

Approve the Foothill Transit Travel and Reimbursement Policy effective March 27, 2011.

### **Analysis**

The Foothill Transit Travel and Reimbursement Policy has been updated to incorporate changes to centralize and standardize the processes used to make travel arrangements and the payment of those travel arrangements. Pending the approval of credit cards (Agenda item 12) for the payment of travel-related expenditures and the new form (**Attachment A**) to authorize travel, the process of making travel arrangement will be centralized.

Two Travel Coordinators will be designated in the Administrative Department to process travel arrangements for all Foothill Transit team members. In the past it was difficult to process travel reservations and make payments without a variety of payment methods. Options included issuing a Foothill Transit check, using team members' personal credit cards; requiring the team member to pay or using an outside source to guarantee payment for the travel expense. Most of these methods required the issuance of a subsequent payment (check) from Foothill Transit to reimburse a team member or a third party. Team members found it confusing to arrange travel plans and make payments with the different payment options that were at times, time sensitive. There often was not enough time to process a payment (check) and get confirmation before beginning the business trip; the team member was not in a financial position to pay for the expenses; credit card payment due dates did not always coincide with reimbursement schedules, amounts needed sometimes exceeded their personal credit limit; or other factors placing a burden the team member's finances. Now those travel reservations for airfare, lodging, vehicle rentals and conference registration can be made, paid and confirmed at one time with one form of payment, a Foothill Transit credit card.

Other changes include a per-diem rate for extended travel based on the Office of U.S. General Services Administration (GSA). This rate can be used by team members that are traveling for more than five consecutive days.

While the Travel Coordinators will primarily process travel arrangements for team members that do not have a Foothill Transit credit card, they will be able to process

Executive Board Meeting – 3/25/11  
Travel and Reimbursement Policy  
Page 2

travel arrangements for Department Directors that have Foothill Transit credit card using the Department Director's credit card.


A "Travel Authorization Form" has been attached (**Attachment B**). This form is to be used by all team members (those with and those without Foothill Transit credit cards) for transportation, lodging, conference reservations and travel advances (travel arrangements) if requested. The form will be completed by the team member requesting authorization to travel which requires approval from their immediate Department Director. The approved form will then be forwarded to a Travel Coordinator (Administration Department) for processing, to make the travel arrangements specified on the "Travel Authorization Form".

This centralizing processing for travel arrangements will add a level of control and uniformity that was not previously present. Another advantage is faster payment to hotels, airlines, etc without placing financial hardships on individual team members.


### Budget Impact

This action has no immediate impact on the budget. It is primarily a processing change for travel related expenditures. Centralization and uniformity will create efficiencies by providing more direct cost control.

Sincerely,



Richard Hasenohrl  
Director of Finance



Doran J. Barnes  
Executive Director

Attachments

## **FOOTHILL TRANSIT TRAVEL AND EXPENSE REIMBURSEMENT POLICY March 27, 2011**

### **INTRODUCTION:**

The purpose of this policy is to promote accountability and timely accounting of financial activity while allowing Foothill Transit Board and Team Members (Team Members) the opportunity to attend meetings and conferences. Foothill Transit Team Member's are expected to show good judgment and have proper regard for economy in the course of traveling or entertaining in connection with Foothill business. Any expense for which a Team Member requests reimbursement should be necessary and clearly relate to the conduct of Foothill Transit business.

The following list of expense classification is for information and guidance in determining expenses which are appropriate to travel and entertainment for business-related purposes.

These guidelines are not intended to address every issue, exception, or contingency that may arise in the course of travel. Accordingly, the basic standard that should always prevail is to exercise good judgment in the use and stewardship of Foothill Transit's resources.

### **ADVANCES:**

Advances for travel shall be limited to, reasonable meal and miscellaneous expense. When applicable, advances will be paid directly to the Team Member. Team Member's will be responsible for requesting an advance with sufficient lead time to be available prior to their departure.

### **TRANSPORTATION:**

#### Air Travel

Air travel will be actual round-trip fare based on the most direct route. Coach or economy class accommodations shall be utilized when traveling by commercial airlines. All travel arrangements should be made as soon as approval for the trip has been obtained so that the lowest possible fares can be negotiated (preferably three (3) weeks in advance).

#### Private Automobile

##### **Long Distance Travel**

With specific permission from either the Team Member's Department Director or the Executive Director, a private automobile may be used for long distance travel and reimbursement approved in an amount not to exceed the appropriate coach or economy class airfare which would have been paid for such travel. Reimbursement will be based on the lower of the actual mileage driven at the current mileage rate in effect by the Internal Revenue Service (IRS) or the appropriate airfare. When driving time exceeds actual flying time, non-exempt staff will not be allowed the use of a private vehicle. The use of a private vehicle requires insurance coverage equal to or in excess of Foothill Transit's insurance requirements with proof on file in the HR Department

##### **Local Travel**

Use of a private automobile for short trips of a business nature will be reimbursed for actual mileage driven at the current mileage rate in effect by the IRS. (Note insurance requirement above)

#### Company Vehicles

The use of Company vehicles is encouraged whenever one is available for business related travel. Any Team Member who does not have a company vehicle assigned to them can sign out a vehicle. If a company vehicle is not available, a private automobile may be used.

#### Vehicle Rentals

Expenses for such transportation may be authorized where such conveyance is reasonable and necessary to conduct Foothill business. When possible, advance reservations are to be made to assure the lowest rate. Automobile rentals must be approved in advance by the employee's department director or Executive Director and receipts must be provided to obtain reimbursement. Only mid-size vehicles or vehicles with an equivalent rental rate will be authorized. The use of airport and hotel shuttles is strongly encouraged when traveling out of town, instead of vehicle rental when practicable and more cost efficient.

#### Garage and Parking Expenses

When on Foothill business, charges for parking private and Foothill vehicles will be reimbursed. Receipts for such expenses must be submitted with a request for reimbursement. When traveling, the expense of long-term airport parking should be weighed against the cost of airport shuttle service.

#### **LODGING:**

Expenses will be allowed for adequate and appropriate lodging when traveling. Hotel accommodations should be appropriate to the purpose of the trip, and when possible should be secured at commercial rates. Receipts for lodging must be returned to Travel Coordinator when paid directly by Foothill Transit or provided with Expense Report Reconciliation for credit card reconciliation or to obtain reimbursement if applicable. Personal expenses while traveling on Foothill business will not be reimbursed unless unusual circumstances dictate, e.g. movies and entertainment are not allowable.

#### **MEALS:**

Reasonable expenses for meals may be authorized when traveling or entertaining as required by official duties. Team Members traveling on Foothill business shall be entitled to reimbursement of expenses incurred for meals not to exceed breakfast lunch and dinner in any one day (12:01AM – 12:00 midnight). Receipts for meals must be provided to obtain reimbursement for actual expenditures. The receipt should be dated with the total shown, including tips.

Team Members on extended travel (five or more consecutive days) will have the option to receive per-diem expense reimbursements based on the Office of U.S. General Services Administration (GSA) established per-diem rates. The rate will be determined prior to the trip departure and is comprised of two factors, lodging and meals and incidental expenses. The Team Member along with the department director and Executive Director will establish the appropriate per-diem rate based on the GSA. The per Diem rate will be for meals and incidental expense when the lodging has been pre-paid by Foothill Transit.

Team Members who, during the normal course of performing their duties, provide meals for representatives of governmental agencies or other persons doing business with the agency in order to most effectively execute their responsibilities, may be authorized reimbursement for the expense of such meals. A copy of the bill or credit card or other receipt for the meal(s) must include a description of the purpose of the meal and the participants when submitted for reimbursement.

**OTHER COSTS:**

Tips and Gratuities

Reasonable expenses for tips are allowable for meals, hotel and transportation purposes.

Registration Fees

Fees charged for registration at any convention or meeting will be reimbursed when attendance is authorized.

Telephone:

Telephone and telefax expenses may be incurred for the conduct of business by Team Members traveling in conjunction with their official capacities. Additionally, reasonable calls to the place of residence when out of the area on travel will be reimbursed. Prepaid phone cards are strongly encouraged especially for extended periods of travel, which can greatly reduce phone costs. Personal phone calls will be limited to five dollars per night of lodging.

It is the policy of the Foothill Transit that no Team Member shall sustain personal monetary loss as a result of duties performed in the service of Foothill transit. However, all expenditures and requests for reimbursement shall logically relate to the conduct of business and shall be necessary to accomplish the purposes of such business.

**EXPENSE TRACKING & REPORTING:**

All reasonable and necessary expenses required to complete your work will be reimbursed. The accounting/reconciliation of these expenses will be done using the Expense Report Reconciliation form.

The completed and approved Expense Report Reconciliation form is due with all receipts, documentation and any amount due Foothill from an advance to the finance department seven days after returning from a trip/conference or incurring an expense. It is understood that staff may elect to hold several small expenditures (items less than \$25) before requesting reimbursement. In the event an Expense Reports Reconciliation is outstanding where an advance was authorization future advances will not be processed/authorized.

Selected Team Members may receive Foothill Transit (company) credit cards to be used for travel related expenditure that can be charged to the credit card. These individual will not have an option to request an advance. Monthly credit card statements with detailed activity and a balance due will be sent to them which will require the preparation of an Expense Report Reconciliation form to adequately report the expenditures and process the payment due. Misuse of credit cards including late processing of payment due will be subject to discipline up to and including termination.

Changes to traveler's itinerary that increase cost after confirmation of airfare, lodging and or rental car, for purely personal reasons will be the responsibility of the traveler.

# Travel Authorization Form

THIS FORM MUST BE SUBMITTED AND APPROVED PRIOR TO TRAVEL

Date of Request	_____	<input type="checkbox"/> Employee Status
Traveler's Name	_____	<input type="checkbox"/> Non-Exempt
Department	_____	<input type="checkbox"/> Department Director
Purpose:	_____	Reservations Required:
	Start Date _____ End Date _____	<input type="checkbox"/> Yes <input type="checkbox"/> No
Budget Account:	No.: _____ Name _____	
Location/Address	_____	

Transportation:

<input type="checkbox"/> Private Vehicle:	Estimated Miles	_____
<input type="checkbox"/> Company Vehicle:	Estimated Miles	_____
<input type="checkbox"/> Car Rental	Number of Days	_____
Pick-up:	Date _____	Location _____
Drop off:	Date _____	Location _____

<input type="checkbox"/> Air:	Departure	Arrival
	Date _____ Time (Range) _____	Date _____
Outbound:	_____	_____
Return:	_____	_____

Conference Registration:

<input type="checkbox"/> Name	_____	Location	_____
-------------------------------	-------	----------	-------

Lodging: Number of Days \_\_\_\_\_

<input type="checkbox"/> Arrival Date	_____	Depart Date	_____
---------------------------------------	-------	-------------	-------

## Travel Advance:

☐ Amount \$ \_\_\_\_\_ (to be completed by Traveler, Max amount \$1,000)

## Certification/Approval:

I certify that the travel is necessary and directly related to Foothill Transit's business and I have received and read the "Employee Travel Time" policy document.

Signed \_\_\_\_\_  
Traveler

Approved by \_\_\_\_\_  
Department Director Project Manager (Capital Projects Only)

Changes to traveler's itinerary that increase cost after confirmation of airfare, lodging and or rental car, for purely personal reasons will be the responsibility of the traveler.